

## Message Text

CONFIDENTIAL

PAGE 01 NASSAU 01165 262251Z  
ACTION ARA-14

INFO OCT-01 ISO-00 L-03 EB-08 AID-05 OES-07 OPIC-03  
XMB-02 TRSE-00 OMB-01 CIAE-00 INR-10 NSAE-00  
DLOS-09 ICA-11 SS-15 SP-02 /091 W  
-----000112 262315Z /23

P 261507Z MAY 78  
FM AMEMBASSY NASSAU  
TO SECSTATE WASHDC PRIORITY 1048

C O N F I D E N T I A L NASSAU 1165

E.O. 11652L GDS  
TAGS: EAID, MARR, ECON, EINV, ENRG, BF, US  
SUBJECT: FOLLOW-UP TO BAHAMIAN ECONOMIC COOPERATION TALKS

REF: A. STATE 47668 B. STATE 55152 C. NASSAU 335  
D. NASSAU 442 E. NASSAU 544 F. NASSAU 549  
G. NASSAU 554 H. NASSAU 856 I. STATE 126562  
J. STATE 115873 K. PARIS 16280 L. NASSAU 1053

1. EMBASSY APPRECIATES DEPARTMENT'S PARTIAL RESPONSE  
(REF I) ON POSSIBLE FOLLOW-UP ACTIONS TO ECONOMIC COOPER-  
ATIVE TALKS HELD IN NASSAU MARCH 13-14 (REFS A TO H).  
OUR COMMENTS FOLLOW.

2. WE AGREE THAT NO ADDITIONAL FOLLOW-UP ACTION IS  
REQUIRED ON PROVIDING GCOB INFORMATION ON INTERNATIONAL  
EXECUTIVE SERVICE CORPS (REF I, PARA 1).

3. EMBASSY HAS PROBLEM IN DETERMINING HOW DEPARTMENT  
ARRIVED AT CONCLUSION (REF I, PARA 3) THAT GCOB ANTICIPATES  
"UNILATERAL STATEMENT" ALONG THE LINES OF THE BAIN PROPOSAL  
IN REF F. IN OUR VIEW, THE "UMBRELLA AGREEMENT" SUG-  
GESTED BY BAIN (OR ECONOMIC ASSISTANCE SUGGESTED BY  
ADDERLEY) REFER TO ECONOMIC ASSISTANCE PACKAGE NEGOTIATED  
APART BUT CONCURRENTLY WITH FACILITIES NEGOTIATIONS  
CONFIDENTIAL

CONFIDENTIAL

PAGE 02 NASSAU 01165 262251Z

AND SIMILAR TO ECONOMIC PACKAGES U.S. HAS NEGOTIATED  
OR IS NEGOTIATING WITH OTHER NATIONS IN WHICH WE  
MAINTAIN FACILITIES. BECAUSE U.S. FACILITIES IN THE  
BAHAMAS ARE SOMEWHAT DIFFERENT FROM THOSE ELSEWHERE,  
AND BECAUSE OF RESTRICTIVE USG LEGISLATION CONCERN-  
ING ECONOMIC ASSISTANCE TO THE BAHAMAS, WE CONSIDER  
IT WOULD BE "ILLUSIONARY" AND "COUNTER-PRODUCTIVE"

TO SUGGEST A STATEMENT (UNILATERAL OR BILATERAL)  
"STRESSING THE U.S. ROLE AS DONOR AND THE BAHAMIAN  
ROLE AS RECIPIENT," ESPECIALLY IN LIGHT OF THE FACT  
THAT FROM OUR READING OF REFS J, K AND L, USG WILL  
NOT EVEN BE DONOR FOR FUNDING GCOB PROJECTS TO BE  
PRESENTED AT CARIBBEAN GROUP FOR ECONOMIC COOPERA-  
TION, JUNE 19-23, 1978. THEREFORE, WE RECOMMEND  
AGAINST FORMULATION OF "UNILATERAL (OR BILATERAL)  
STATEMENT."

4. WE DO, HOWEVER, RECOMMEND PRUSUING THE "JOINT  
MEMORANDUM OF UNDERSTANDING", REF I, PARA 5, AS A  
USEFUL MECHANISM TO ENHANCE USG-GCOB AWARENESS OF  
LEVELS AND DEGREE OF ECONOMIC COOPERATION BETWEEN  
OUR TWO COUNTRIES. WE HAVE THE FOLLOWING RECOM-  
MENDED CHANGES IN TEXT (REF I, PARA 5).

A. THIRD PARA TO BE AS FOLLOWS: "A SUBSTANTIAL  
VOLUME OF TOURISM AND TRADE FLOWS EACH YEAR BETWEEN  
OUR COUNTRIES, SO MUCH SO THAT OUR ECONOMIES HAVE  
DEVELOPED EXTENSIVE COMPLEMENTARY LINKAGES. IN  
ADDITION, THERE IS SIGNIFICANT MUTUALLY BENEFICIAL  
COOPERATION BETWEEN OUR COUNTRIES IN THE AREAS OF  
METEOROLOGY, CIVIL AVIATION, LAW ENFORCEMENT, SECUR-  
ITY, MARITIME SAFETY AND AGRICULTURAL DEVELOPMENT.  
IN THE CULTURAL ARENA TIES BETWEEN OUR COUNTRIES,  
ESPECIALLY COMMON ANCESTRAL HERITAGE, EDUCATION AND  
CONFIDENTIAL

CONFIDENTIAL

PAGE 03 NASSAU 01165 262251Z

SPORTS, CONTINUE TO FLOURISH.

B. LAST SENTENCE CHANGE "SOUTHERN FLORIDA" TO  
"UNITED STATES."

5. WE WISH TO REEMPHASIZE THAT ADDERLEY HAS NOT IN  
OUR OPINION MADE AN ABOUT FACE EITHER WITH REGARD  
TO FACILITIES OR MARITIME BOUNDARIES. WE ALSO WISH TO  
POINT OUT THAT STATEMENT IN REF I, PARA 7, "SINCE  
INITIATION OF ECONOMIC TALKS WAS IN RESPONSE TO  
ADDERLEY'S INSISTENCE THAT THEY PRECEDE FACILITIES NEGO-  
TIATIONS." IS INCORRECT. EVER SINCE ASSISTANT  
SECRETARY TODMAN'S MEETING WITH ADDERLEY LAST DECEM-  
BER, GCOB HAS INSISTED FACILITIES AND ECONOMIC  
NEGOTIATIONS PROCEDE "CONCURRENTLY".

6. WE VIEW SCENARIO FOR US-BAHAMAS TALKS ON FACILITIES,  
BOUNDARIES, AND ECONOMIC PACKAGE AS FOLLOWS:

A. MILITARY FACILITIES, TECHNICAL TALKS,  
WASHINGTON, JUNE 12-13, 1978;

B. CARIBBEAN GROUP FOR ECONOMIC COOPERATION,  
WASHINGTON, JUNE 19-23, 1978;

∴ MILITARY FACILITIES, SUBSTANTIVE TALKS,

NASSAU, JULY 5-6, 1978;

D. MARITIME BOUNDARIES TALKS - DATE AND  
PLACE TO BE DETERMINED)

(UN OUR VIEW NO ONE OF THESE AGREEMENTS WILL BE  
SIGNED BY GCOB UNTIL THERE HAS BEEN SUBSTANTIAL  
PROGRESS WITH THE OTHER TWO).

7. IN LIGHT OF THE ABOVE, WE RECOMMEND INFORMAL  
RENEWAL OF ECONOMIC COOPERATION TALKS IN MID-JULY  
OR AUGUST WITH OBJECTIVE OF ISSUANCE OF "JOINT  
MEMORANDUM OF UNDERSTANDING" AT A DATE MUTUALLY  
AGREED UPON BY DEPARTMENT AND MINISTRY OF EXTERNAL  
AFFAIRS.

CONFIDENTIAL

CONFIDENTIAL

PAGE 04 NASSAU 01165 262251Z

8. WE LOOK FORWARD TO DEPT'S RESPONSE ON  
HOUSING GUARANTEES AND OPIC PROGRAMS (REF I PARA  
3). IN ABSENCE OF REPLY TO THESE POINTS, HOWEVER,  
WE DO RECOMMEND GOING AHEAD WITH "JOINT MEMORANDUM  
OF UNDERSTANDING." POSSIBLE IMPLEMENTATION OF  
HOUSING GUARANTEES OR (LIMITED) OPIC PROGRAMS AT  
LATER DATE COULD BE CITED AS CONCRETE MEANS "JOINT  
MEMORANDUM OF UNDERSTANDING" IS BEING IMPLEMENTED.  
SCHWARTZ

CONFIDENTIAL

NNN

## Message Attributes

**Automatic Decaptioning:** X  
**Capture Date:** 01 jan 1994  
**Channel Indicators:** n/a  
**Current Classification:** UNCLASSIFIED  
**Concepts:** ECONOMIC COOPERATION, MEETING REPORTS  
**Control Number:** n/a  
**Copy:** SINGLE  
**Draft Date:** 26 may 1978  
**Decaption Date:** 01 jan 1960  
**Decaption Note:**  
**Disposition Action:** RELEASED  
**Disposition Approved on Date:**  
**Disposition Case Number:** n/a  
**Disposition Comment:** 25 YEAR REVIEW  
**Disposition Date:** 20 Mar 2014  
**Disposition Event:**  
**Disposition History:** n/a  
**Disposition Reason:**  
**Disposition Remarks:**  
**Document Number:** 1978NASSAU01165  
**Document Source:** CORE  
**Document Unique ID:** 00  
**Drafter:** n/a  
**Enclosure:** n/a  
**Executive Order:** GS  
**Errors:** N/A  
**Expiration:**  
**Film Number:** D780223-0851  
**Format:** TEL  
**From:** NASSAU  
**Handling Restrictions:** n/a  
**Image Path:**  
**ISecure:** 1  
**Legacy Key:** link1978/newtext/t19780514/aaaaalqg.tel  
**Line Count:** 145  
**Litigation Code IDs:**  
**Litigation Codes:**  
**Litigation History:**  
**Locator:** TEXT ON-LINE, ON MICROFILM  
**Message ID:** 39d9b695-c288-dd11-92da-001cc4696bcc  
**Office:** ACTION ARA  
**Original Classification:** CONFIDENTIAL  
**Original Handling Restrictions:** n/a  
**Original Previous Classification:** n/a  
**Original Previous Handling Restrictions:** n/a  
**Page Count:** 3  
**Previous Channel Indicators:** n/a  
**Previous Classification:** CONFIDENTIAL  
**Previous Handling Restrictions:** n/a  
**Reference:** 78 STATE 47668, 78 NASSAU 442  
**Retention:** 0  
**Review Action:** RELEASED, APPROVED  
**Review Content Flags:**  
**Review Date:** 06 jul 2005  
**Review Event:**  
**Review Exemptions:** n/a  
**Review Media Identifier:**  
**Review Release Date:** n/a  
**Review Release Event:** n/a  
**Review Transfer Date:**  
**Review Withdrawn Fields:** n/a  
**SAS ID:** 2550587  
**Secure:** OPEN  
**Status:** NATIVE  
**Subject:** FOLLOW-UP TO BAHAMIAN ECONOMIC COOPERATION TALKS  
**TAGS:** EAID, MARR, ECON, EINV, ENRG, BF, US  
**To:** STATE  
**Type:** TE  
**vdkgvwkey:** odbc://SAS/SAS.dbo.SAS\_Docs/39d9b695-c288-dd11-92da-001cc4696bcc  
**Review Markings:**  
Sheryl P. Walter  
Declassified/Released  
US Department of State  
EO Systematic Review  
20 Mar 2014  
**Markings:** Sheryl P. Walter Declassified/Released US Department of State EO Systematic Review 20 Mar 2014